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**Committee for Programme and Coordination**
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## Draft report

**Addendum**

*Rapporteur*: Mr. Juichi **Takahara** (Japan)

## Proposed programme budget for the biennium 2000–2001 (item 4 (b))

### Section 28. Internal oversight

1. At its 33rd meeting, on 24 June 1999, the Committee for Programme and Coordination considered section 28, Internal oversight, of the proposed programme budget for the biennium 2000–2001 (A/54/6 (Sect. 28)).

2. The representative of the Secretary-General introduced the budget section and responded to queries raised during the Committee's consideration of the document.

**Discussion**

3. Support was expressed for the programme of work and functions of the Office. Satisfaction was expressed for the contribution of the Office's work to the reform efforts of the Secretary-General and improvements for the efficient and effective use of resources in the United Nations. Doubts were expressed about the real contribution of the Office to the improvement of the efficient and effective use of resources in the United Nations. The view was also expressed that attention should be paid to the structure of the Office to avoid its becoming too complex and weighty.

4. The objectives and outputs were noted, and the inclusion of expected accomplishments in the proposed programme budget was welcomed. However, concern was expressed regarding the connection between the activities described and how progress towards attainment of the expected accomplishments would be measured.

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5. The view was expressed that an increase in the level of resources was needed. The view was also expressed that the Office should set an example by demonstrating how savings can be effectively achieved. Clarification was sought on whether the level of resources would allow the Office to now reach its "cruising speed". Further, concern was expressed at the increase in the level of resources for consultants and travel. The view was also expressed that the Office should not rely heavily on external consultants and experts to perform internal oversight functions and that these resources should be managed in a more economical manner. Concern was also expressed regarding the increase in the level of resources for the section, taking into account the fact that internal oversight is not a priority in the medium-term plan.

6. Concern was expressed at the distribution of resources among the four subprogrammes and the need to balance these resources vis-à-vis the programme of work. The view was expressed that there was a need to avoid duplication among the four subprogrammes. It was noted that priority was being given to the audit and management consulting programme, and that audit activities were core functions of the Office. The introduction of audit cycles of three to four years, in accordance with internal audit standards, was welcomed, and support was expressed for the horizontal and thematic approach, which would lead to greater cohesion among the United Nations offices.

7. The question of the qualifications of the Office's personnel was raised, and the view was expressed that auditors recruited should possess the necessary skills to appropriately perform the functions.

8. The initiative of the Office to coordinate and cooperate with external oversight bodies, as well as with the funds and programmes of the United Nations, was welcomed. However, the view was expressed with regret that this was not adequately reflected in the programme of work.

9. Appreciation was expressed for the activities of the Central Evaluation Unit and for the further refining of the work of the Central Monitoring and Inspection Unit. The view was expressed that these two subprogrammes were beneficial to both the United Nations and Member States. However, it was noted that the units should not just provide guidelines for programme managers, but should also play a greater and more active role in the self-evaluation and monitoring processes of the Organization's departments. In addition, the issue of the timing of evaluation reports provided by the Central Evaluation Unit was raised, and clarification was sought as to whether it was coherent or was determined on the basis of the resources available to the Unit.

10. With regard to the Investigations Section, the view was expressed that it was difficult to measure in advance the workload of the Section. However, a question was raised regarding the effectiveness of the Section in serving as a deterrent, as the number of cases had continued to increase over the past four and one half years. The view was expressed that the deterrent role of internal oversight should have led to a decrease in the number of cases. The view was also expressed that the Investigations Section should not only be reactive but should also be proactive in addressing misuse of United Nations resources.

11. Appreciation was expressed to the Under-Secretary-General for Internal Oversight for the work accomplished by his Office under his leadership.

**Conclusions and recommendations**

**12. The Committee recommended that the General Assembly approve the programme narrative of section 28, Internal oversight, subject to the following modifications:**

(a) Paragraph 28.3 should be replaced with:

"28.3 In its programme of work for the biennium 2000–2001, OIOS will manage the responsibilities of each oversight unit within the Office to ensure coherence and in order to assist the Secretary-General in fulfilling his internal oversight responsibilities in respect of resources and staff of the Organization through the exercise of the functions enumerated in resolution 48/218 B."

(b) Paragraph 28.20 should be replaced with:

"28.20 The objectives of the subprogramme are:

"(a) To facilitate the assessment by intergovernmental bodies, as systematically as possible, of the relevance, efficiency, effectiveness and impact of the activities of programmes in relation to their objectives;

"(b) To enable the Secretariat and Member States to engage in systematic reflection with a view to increasing the effectiveness of the main programmes of the Organization by altering their content and, if necessary, reviewing their objectives;

"(c) To assist the departments and offices in the Secretariat in implementing approved evaluation recommendations;

"(d) To support the evaluation activities of departments and offices.";

(c) Paragraph 28.24 should be replaced with:

"28.4 The expected accomplishments by the end of the biennium consist of increases in the implementation of approved recommendations contained in evaluation reports and strengthening the role of self-evaluation within the Organizations.";

(d) The two first sentences of paragraph 28.41 should be replaced with:

"In its programme of work for the biennium 2000–2001, the Division plans to consolidate its resources to provide comprehensive internal audit coverage. The Division will deliver the following outputs during the biennium:".